

Message Text

PAGE 01 STATE 119986

51
ORIGIN ARA-10

INFO OCT-01 ISO-00 EB-07 TRSE-00 AGR-05 AID-05 /028 R

DRAFTED BY ARA/APU:RCFELDER:LMG

APPROVED BY ARA/APU:CEBARTCH

----- 030763

R 2220Z MAY 75

FM SECSTATE WASHDC

TO AMEMBASSY BUENOS AIRES

CONFIDENTIAL STATE 119986

E.O. 11652:

TAGS: PFOR, EFIN, AR

SUBJECT:PRIVATE BANK LENDING TO ARGENTINA

1. MR. HERBERT OSBORNE OF CHEMICAL BANK OF NEW YORK ADVISED DEPARTMENT (APU) BY TELEPHONE MAY 22 THAT CHEMICAL WILL UNDERTAKE TO FORM BANK CONSORTIUM TO PROVIDE SHORT TERM REVOLVING FINANCING FOR ARGENTINE GRAIN EXPORTS. TOTAL FINANCING FOR THIS PROJECT WOULD EXCEED \$800 MILLION WITH EXPOSURE LIMITED TO \$220 MILLION AT ANY ONE TIME.

2. OSBORNE DID NOT ENVISAGE A MAJOR PROBLEM IN PUTTING CONSORTIUM TOGETHER AND ANTICIPATED THAT LOAN AGREEMENT COULD BE SIGNED IN APPROXIMATELY FOUR WEEKS. HE SAID, HOWEVER, THAT HE HAD BEEN GIVEN TO UNDERSTAND BY SENIOR OFFICIALS OF ARGENTINE MINISTRY OF ECONOMY IN BUENOS AIRES THAT GOMEZ MORALES WAS ON WAY OUT AND WOULD BE REPLACED SHORTLY BY CELESTINO RODRIGO, WHO IS RECOGNIZED TO BE LOPEZ REGA'S MAN. OSBORNE SAID HE HAD READ ASSISTANT SECRETARY ROGERS RECENT LETTER TO

COMPTROLLER OF CURRENCY SMITH (POUCHED TO EMBASSY) WHICH

IMPLIES SUPPORT FOR PRESENT GOA EFFORTS TO OBTAIN
CONFIDENTIAL

PAGE 02 STATE 119986

FINANCING IN THE U.S. HE ASKED IF WE WOULD STILL BE SYMPATHETIC TO THE GOA WERE LOPEZ REGA TO CONSOLIDATE HIS HOLD OVER THE GOVERNMENT BY PLACING HIS MAN AT THE HEAD OF MINISTRY OF ECONOMY. WE REPLIED ALONG

FOLLOWING LINES: THAT LOPEZ REGA HAS HAD A PARTICULARLY IMPORTANT ROLE IN THE GOVERNMENT SINCE MRS. PERON BECAME PRESIDENT LAST JULY; THAT IN THIS PERIOD OUR RELATIONS WITH ARGENTINA HAVE BEEN EXCELLENT; THAT ALTHOUGH WE HAVE GREAT RESPECT FOR GOMEZ MORALES A CABINET CHANGE WOULD NOT AFFECT OUR RELATIONS WITH ARGENTINA UNLESS SUBSEQUENT POLICY CHANGES ADVERSELY AFFECTED US INTERESTS.

3. OSBORNE IS COMING TO WASHINGTON TO MEET WITH CENTRAL BANK PRESIDENT CAIROLI WHO IS DUE ARRIVE HERE TOMORROW FOR CONSULTATION AFTER IDB MEETING IN SANTO DOMINGO. HE SAID HE WOULD BE IN TOUCH WITH US NEXT WEEK. INGERSOLL

CONFIDENTIAL

<< END OF DOCUMENT >>

Message Attributes

Automatic Decaptioning: X
Capture Date: 26 AUG 1999
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: BANK LOANS, EXPORTS, GRAINS
Control Number: n/a
Copy: SINGLE
Draft Date: 22 MAY 1975
Decaption Date: 01 JAN 1960
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Authority: buchant0
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 28 MAY 2004
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1975STATE119986
Document Source: ADS
Document Unique ID: 00
Drafter: ARA/APU:RCFELDER:LMG
Enclosure: n/a
Executive Order: 11652 SUBJECT= n/a
Errors: n/a
Film Number: D750181-1024
From: STATE
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1975/newtext/t197505103/baaaakmj.tel
Line Count: 71
Locator: TEXT ON-LINE, TEXT ON MICROFILM
Office: ORIGIN ARA
Original Classification: CONFIDENTIAL
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 2
Previous Channel Indicators:
Previous Classification: CONFIDENTIAL
Previous Handling Restrictions: n/a
Reference: n/a
Review Action: RELEASED, APPROVED
Review Authority: buchant0
Review Comment: n/a
Review Content Flags:
Review Date: 03 SEP 2003
Review Event:
Review Exemptions: n/a
Review History: RELEASED <03 SEP 2003 by BoyleJA>; APPROVED <17 DEC 2003 by buchant0>
Review Markings:

Margaret P. Grafeld
Declassified/Released
US Department of State
EO Systematic Review
05 JUL 2006

Review Media Identifier:
Review Referrals: n/a
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
Secure: OPEN
Status: <DBA CORRECTED> jms 971014
Subject: data_error
TAGS: EFIN, PFOR, AR, US, CHEMICAL BANK OF NEW YORK
To: BUENOS AIRES
Type: TE
Markings: Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 05 JUL 2006